

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AGREED-UPON PROCEDURES ENGAGEMENT  
OF THE  
FORMER FULTON COUNTY  
PROPERTY VALUATION ADMINISTRATOR**

**For The Period December 1, 2005  
Through November 30, 2006**



**CRIT LUALLEN  
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AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

John R. Farris, Secretary, Finance and Administration Cabinet  
The Honorable Debbie Ward  
Former Fulton County Property Valuation Administrator  
The Honorable Peter Morgan  
Fulton County Property Valuation Administrator  
Hickman, Kentucky 42050

We have performed the procedures enumerated below, which were agreed to by the former Fulton County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for period December 1, 2005, through November 30, 2006. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the former Fulton County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (November 30, 2006), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA did not maintain a cumulative receipts ledger or disbursements ledger. The PVA did not reconcile bank records to books each month. Rather, the PVA performed monthly recaps of bank statement activity.

*Former PVA's Response - None.*



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(Continued)

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts compared favorably to confirmed payment amounts obtained from city governments. The list of city receipts appeared complete.

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

Recorded county receipts compared favorably to confirmed payment amounts obtained from the county. The budgeted statutory contribution by fiscal court compared favorably to the legally required amounts calculated by the Department of Revenue. Payments from the fiscal court statutory contribution budget account traced to the PVA's local bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Selected disbursements agreed to cancelled checks and supporting documentation. Expenditures were determined to be for official business. The PVA did not use a credit card for expenditures.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

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(Continued)

5. Finding -

Capital outlay disbursements compared favorably with cancelled checks, supporting documentation, and proper purchasing procedures. The location of newly acquired assets was verified. Assets were added to the Capital Asset Inventory List.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA entered into a software license agreement for tax roll software and a service contract on the office copy machine. The services received were appropriate, for official business, and properly authorized. The PVA had no vehicle lease agreements.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA did not overspend the final budget in any account series.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

The PVA's funds were fully covered by FDIC insurance.

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

Timesheets were determined to have been completed, maintained, and supported hours worked.

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(Continued)

10. Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

Cash balances were properly transferred from the former PVA to the new PVA.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen  
Auditor of Public Accounts

Engagement fieldwork completed -  
November 30, 2006

